SUCCESS STORY WEST VIRGINIA DISTRICT OFFICE

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SBA Helps Local Business Soar to New Heights

MORGANTOWN - Did you ever wonder while sitting on an airliner at a boarding gate how the lights and air conditioning/heating system worked without those noisy jet engines running? Well, you can thank a small business located in Morgantown West Virginia that you have light to read your paper and are able to sit comfortably in a temperature-controlled environment.

FCX Systems, Inc. designs, manufactures and sells solid-state frequency converters for commercial and military aviation, shipping, utility, and electric train industries. What in the world is a frequency converter, you may wonder.

"It's basically a unit that takes AC power, converts it to DC, then reconverts it back to AC power that is acceptable to equipment with unique power requirements," said Don Gallion, Jr., president and CEO of FCX.

Gallion founded FCX Systems, Inc. in 1987 along with four other individuals, and has seen the company grow from seven employees then to over 90 now. But it wasn't without occasional struggles.

"When we started out, we worked in shifts," stated Gallion. "Not because we had lots of orders to fill, but due to the fact we had only one working computer, which we purchased with just about every cent we had."

Since they were considered a "start-up" business with little assets and equity, they found that financing was another obstacle they needed to hurdle. While making the rounds to various area lenders looking for funding, it was suggested that they try the U.S. Small Business Administration's for a 7(a) loan.

"The experience really wasn't as bad as we first thought," adds Gallion. "It was initially a little time consuming, but it eventually worked out."

"The SBA loan we received made it possible for FCX to be where we are today," said Gallion. "If it wasn't for that initial loan, we wouldn't be in business."

In fact, FCX has turned to the SBA on several different occasions during the different stages of their growth. "It's really a pretty easy process now," added Gallion.

FCX recently moved to an ultra-modern facility just on the outskirts of Morgantown. The facility offers room for expansion and development into other aviation-related areas. In fact, FCX products can be found powering everything from the New York Subway System to the ultra sophisticated military F22 aircraft.

Not only does FCX deal with commercial and military sales, they are also big in the International market. They actually stumbled into it.

"As we marketed ourselves, we found that even though we designed and developed a niche product that we believed was the best solid state converter going, it was hard to convince the commercial aircraft industry that we would be around to service our product" said Gallion.

"We were contacted by representatives from the Chinese aviation market that had heard about our product," said Gallion. "We were just starting out and wasn't real sure we could afford the plane ticket to China to meet with them."

They did scrape enough together, made the trip, and began the process that opened what is now one of their largest markets. Gallion has made numerous trips abroad and developed ties that now include 56 countries.

Gallion has been so successful in developing the exporting market that he was named SBA's Exporter of the Year twice, received West Virginia's Governor's Export Award and the President's "E" Award for Excellence in Exporting. He also serves as the president of the West Virginia District Export Council and as chairman of National District Export Council. He also finds time to serve on numerous boards in Monongalia County and in the Morgantown area. And, just because he has a few extra minutes to spare between his trips abroad, finds time to teach a class on International Management at West Virginia University that is geared for both students and small business owners.

"Exporting has grown tremendously the past several years," said Gallion. "In fact, West Virginia as a state is ahead of the national average when it comes to exporting."

It's really easy to see why that statement is true. Gallion tirelessly and unselfishly advocates for West Virginia small business. He's been the feature speaker at several business conferences and workshops on the virtues and opportunities exporting offers. He continues to be a role model for fledgling West Virginia companies and offers innovative encouragement on their products and services on ways to expand into the exporting arena.

For more information on the programs and services offered by the SBA, SBDC or SCORE, contact the West Virginia District Office at 304-623-5631 or via email at www.sba.gov, or visit their web site at www.sba.gov.

All SBA programs are extended to the public on a non-discriminatory basis.